

Profile
of the
Indian Revenue
Service



Overview of Indian Revenue Service:

Indian Revenue Service (IRS) is the largest Group A Central Service amongst the organised civil services in the Government of India. IRS serves the nation through discharging one of the most important sovereign functions i.e., collection of revenue for development, security and governance.

An IRS officer starts in Group A as Assistant Commissioner of Income Tax. Recruitment at this level is through the Civil Services Examination conducted by Union Public Service Commission. Income Tax Officers (Group B gazetted) also enter into IRS by way of promotion. The Indian Revenue Service Recruitment Rules regulate the selection and career prospects of an IRS officer.

IRS plays a pivotal role in collection of Direct Taxes (mainly Income Tax & Wealth Tax) in India which form a major part of the total tax revenue in the country. The relative contribution of Direct Taxes to the overall tax collection of the Central Government has risen from about 36% to 56% over the period 2000-01 to 2013-14. The contribution of Direct taxes to GDP has doubled (from about 3% to 6%) during the same period.

IRS officers administer the Direct Taxes laws through the Income Tax Department (ITD) whose logo is '*kosh mulo dandah*'. The ITD is one of the largest departments of the Government of India with a sanctioned strength of about 75000 employees, including 4921 duty posts in the IRS, spread over 550 locations all over the country. An Income Tax office is located in almost every district of India.

At the apex level, the Central Board of Direct Taxes (CBDT) constituted under the Central Boards of Revenue Act, 1963 is responsible for administration and supervision of the ITD in the Ministry of Finance, Department of Revenue. The CBDT consists of a Chairperson and 6 Members who are of the rank and status of Special Secretary to the Government of India. The Chairperson and Members are supported by Joint Secretaries/Commissioners, Directors, Deputy Secretaries, Under Secretaries, Section Officers, Assistants and other support staff; structured on the standard lines of other departments of the Central Government. The CBDT is responsible for formulating policies relating to Direct Taxes and ensuring their due implementation. As proper administration of the ITD requires due exposure to and expertise in the tax laws, business and financial practices, accounting etc apart from other aspects of economy and administration, most of the positions in the CBDT from Under Secretary level upwards are manned by IRS officers.

Below the CBDT are regional level field offices, each headed by a Principal Chief Commissioner of Income Tax (PCCIT) who is placed in the apex scale. There are 18 regions headed by PCCsIT below which there are Chief Commissioners and Principal Commissioners who are responsible to ensure proper functioning of the field formation.

Indicative hierarchy of the IRS officers in the field formation is as under:

Designation	Pay Scale
Principal Chief Commissioner of Income Tax	Rs. 80,000 (fixed)
Chief Commissioner of Income Tax	Rs. 75,500-80,000
Principal Commissioner of Income Tax	Rs. 67,000-79,000
Commissioner of Income Tax	Rs. 37,400-67,000 + grade pay of Rs. 10,000
Additional Commissioner of Income Tax	Rs. 37,400-67,000 + grade pay of Rs. 8,700
Joint Commissioner of Income Tax	Rs. 15,600-39,100 + grade pay of Rs. 7,600
Deputy Commissioner of Income Tax	Rs. 15,600-39,100 + grade pay of Rs. 6,600
Assistant Commissioner of Income Tax	Rs. 15,600-39,100 + grade pay of Rs. 5,400

The IRS officers are assisted by the Income Tax Officers, Income Tax Inspectors and support staff.

Role of IRS officers in the Government of India:

IRS officers serve the Government of India in different capacities/roles. While administering Direct Taxes through the ITD, they formulate policies, implement such policies and discharge the functions of an investigator, quasi-judicial authority, prosecutor and negotiator of International Agreements etc. Their main roles could be briefly described as under:

❖ Policy Formulation:

The taxation policies are dynamic and keep changing with the emerging needs of the economy and the country. The tax policy is not limited to raising of revenue. As a part of the overall policy of the Government of India, the tax policy also serves as a tool to address several other objectives in the process of development of the country. These objectives may include providing for incentives and disincentives in the target areas/segments of the economy. Appropriate policy interventions in the Direct Taxes are formulated by the IRS officers based upon the experience in the field formation and other relevant inputs from various sources and submitted to the Government through the CBDT.

❖ Tax Administrator - Investigator, quasi-judicial authority and prosecutor:

Levy and collection of the tax is the main function of an IRS officer in the field formation. Majority of the officers are, therefore, involved in this function in some way or the other. The process of tax collection is mainly driven through the regime of voluntary compliance in which the tax payers have to pay their taxes as per the mandate of the law, following the procedure laid down including mandatory filing of returns of income or other specified statements. However, there is always a gap between the expected and the achieved level of compliance. Main reason for the gap may include tax evasion through wilful suppression of material facts/ aggressive tax planning or mistakes committed by the tax payers. With a view

to detect such aberrations and promote voluntary compliance, several interventions are done through selective scrutiny (examination) of returns/statements, surveys, search & seizure etc. In serious cases of defaults, criminal prosecutions are instituted after completing requisite investigation. In the process, the IRS officers discharge the functions of an investigator, quasi-judicial authority and prosecutor.

❖ **Global crusade against black money:**

One of the most important functions of IRS is detection and curbing black money in the country. While taking all possible measures in this regard domestically, IRS officers are also responsible to negotiate International Agreements with other tax jurisdictions, to plug misuse of international financial processes for tax evasion and avoidance. India has been playing a prominent role, inter alia, in developing the new global standards on automatic exchange of information which would enable the tax authorities to receive information about taxpayers hiding their money in offshore financial centers and tax havens through multi-layered entities with non-transparent ownership, on an automatic basis.

❖ **Serving other Ministries/Departments/Organisations on deputation:**

Besides working in the ITD/Department of Revenue, IRS officers serve other Ministries/Departments/Organisations in different capacities on deputation.

Training & Capacity Building:

❖ **Induction Training:**

On joining the service, IRS officers are trained mainly at National Academy of Direct Taxes (NADT), located at Nagpur, which is one of the premier National Academies of the Government of India. NADT conducts the Induction training for IRS officers and the Foundation Course for other services as well. After the Foundation Course of about 4 months, the officers undergo intensive training of sixteen months in specially designed modules in taxation and allied laws, accounting, public finance, fiscal policy, office procedure etc. The training also includes attachment to various field offices/organisations across the country, India study tour and international attachment to different countries giving exposure on global best practices in taxation.

❖ **Mid-Career Training:**

There are various mid-career training programmes for IRS officers with a view to keep them abreast of the latest developments in the areas of governance, particularly taxation, finance and management. These include the Advanced Mid Career Training (AMCTP) which is conducted in 3 phases. Phase I is for Joint/Additional Commissioners, Phase-II is for Commissioners/Principal Commissioners and Phase-III is for Chief Commissioners/Principal Chief Commissioners. The AMCTP generally consists of a 3 week domestic module held at premier Management Institutes in the country followed by a 2 week International component at internationally acclaimed Universities, depending on their areas of expertise.

Career Prospects at a glance:

- ❖ An IRS officer could rise up-to the Apex Scale (Rs.80,000 fixed plus allowances) at the post of Principal Chief Commissioner of Income Tax in the ITD. At the apex level, he can also get selected as a Member or Chairperson of the CBDT. The intermediate grades in this career progression are Deputy Commissioner, Joint Commissioner, Additional Commissioner, Commissioner, Principal Commissioner and Chief Commissioner of Income Tax.
- ❖ With increased scope for international cooperation in the work areas of exchange of information, transfer pricing, and taxation of cross-border transactions, the Government of India decided to create a network of Income Tax Overseas Units (ITOUs). Besides serving within the country, IRS officers also serve in such ITOUs which are part of the Indian Missions at select places abroad.
- ❖ An IRS officer is also eligible to be selected as Member of the Income Tax Appellate Tribunal, Authority for Advance Ruling, Income Tax Settlement Commission and Income Tax Ombudsman as per the prescribed eligibility criteria.
- ❖ IRS officers, at different levels, serve other Ministries/Departments/Organisations under Central Staffing Scheme and other deputations on the lines of officers of All India Services (Indian Administrative Service, Indian Police Service & Indian Forest Service) and other Central Services.
